## **Business in the Parliament Conference 2025**

# Grasping the opportunity: how the evolution of green jobs will help to grow the Scottish economy"

#### Introduction

In September 2024 the Scottish Government published its <u>Green Industrial Strategy</u>. This notes that:

"The transition to net zero creates demand for new goods and services on a global scale. It provides opportunities to build new supply chains, demands new skills and ways of working, and offers a powerful new inspiration for innovation and entrepreneurship.

Offshore oil and gas have for several decades been an integral part of Scotland's economy. However, North Sea production is by every estimate set to decline due to the geological maturity of the basin. Seizing the opportunity for Scotland to play a leading role in the emerging global net zero energy economy offers a route to creating highly-skilled, well-paid jobs with economic and social value which will offer opportunities across our country."

The transition is expected to have a significant impact beyond the creation of new jobs. <u>SDS</u> <u>commissioned research</u> suggests that the transition is already alter the skills and knowledge of 25.7% of jobs in Scotland, increase demand for 9.9% of jobs, with only 4.3% of jobs new in 2022.

PricewaterhouseCoopers publish an annual green jobs barometer, and <u>the most recent</u> (<u>November 2024</u>) notes that Scotland has the highest proportion of green job adverts of all UK nations and regions. The report also notes that the size of the green jobs market in Scotland has tripled since 2021.

But there are challenges to overcome to make the most of these opportunities. As the demand for green jobs grows, there is a need to ensure that the right skills and training are available to support both individuals and businesses in the transition to a low-carbon economy. The Economy and Fair Work Committee is currently holding evidence sessions with employers and stakeholders to <u>consider progress so far on reform of the skills delivery landscape</u>, and further actions needed to meet industry demand for skills in Scotland, including green skills.

The Scottish Government established a <u>policy framework</u> for Scotland's approach to achieving net zero and greater climate resilience. At the centre of the approach is a commitment to increase the number of good, green jobs, and to enable people to access these jobs through training and reskilling. Accompanying this is Skills Development Scotland's (SDS) <u>Climate Emergency Skills Action Plan (CESAP)</u> which outlines the need for coordinated action to ensure that current and future skills investment, in support of net zero, is strongly evidence based. Since then, SDS has published their <u>CESAP pathfinder</u>, which advances the evidence base to identify current and future skills demand, established a baseline of green skills provision and identifies opportunities for action needed by the skills system to respond to the transition to net zero. The <u>2023-24 Programme for Government included a pledge to update this plan</u>. However, on 14 May 2024, in response to a written question, the <u>Scottish</u>

<u>Government confirmed that the planned refresh of CESAP would no longer take place</u> – instead work on green skills would be delivered through just transition plans.

#### Purpose of this Workshop/panel:

This workshop/panel aims to explore:

- The economic potential of investment in green jobs for both businesses and the wider economy.
- To understand what we mean by 'green jobs' and the distinction between 'green jobs' versus 'green skills'.
- The challenges and common barriers faced by businesses when recruiting for green jobs and/or investing in green skills.
- How the Scottish Government, training providers and businesses can work together to overcome these barriers.
- The support and incentives needed to drive greater investment in green jobs and skills and how companies can better target investment.

#### **Suggested Discussion Questions**

- What do we mean by 'green jobs' and 'green skills' and what is the difference between them?
- The theme of this session is about grasping the opportunity green jobs present for the economy what does that mean to you? What is the size of the prize here?
- In which sectors are we seeing the highest growth in green jobs and/or the biggest demand for green skills? From an employer perspective to what extent are you already facing green skills shortages and difficulty recruiting for green jobs?
- It's widely agreed that upskilling workers will be necessary to address green skills shortages how can we better develop green skills in the workforce? And what are the barriers preventing employers from doing so now?
- What change is needed to increase investment in green jobs and skills? How should the Scottish Government, employers, and training providers better work together to facilitate this?
- For both those in education and already in the workforce, how can we increase awareness of green skills and green career paths?
- Stepping up efforts to create new green jobs can help to offset the loss of jobs as a result of the transition so called 'sunset jobs'. How should employers be considering this delicate balance?
- Women and ethnic minorities are often underrepresented in green occupations when thinking about a just transition, how can we ensure efforts are correctly targeted to create and sustain opportunities for all across keys sectors?

### Key Challenges:

- Low employer investment in workplace training
- Access to labour to fill green jobs is limited due to an ageing population and low levels of migration
- Complex skills system that is hard to navigate
- Low awareness of green career opportunities